

Regular Session, 2008

ACT No. 610

HOUSE BILL NO. 1220

BY REPRESENTATIVE HENRY BURNS

1 AN ACT

2 To enact R.S. 30:209(4)(e), relative to the State Mineral Board; to provide for the authority
3 of the State Mineral Board; to provide for operating agreements for certain
4 underground storage; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 30:209(4)(e) is hereby enacted to read as follows:

7 §209. State Mineral Board, authority of

8 In order to carry out the provisions of R.S. 30:208, the State Mineral Board
9 may:

10 * * *

11 (4)

12 * * *

13 (e) Upon a two-thirds vote of the members of the State Mineral Board and
14 after a public hearing conducted in the affected parish pursuant to R.S. 30:6, enter
15 into operating agreements whereby the state receives a share of revenues from the
16 storage of oil, natural gas, liquid or liquefied hydrocarbons, or carbon dioxide, in
17 whole or in part, as may be agreed upon by the parties, and assumes all or a portion
18 of the risk of the cost of the activity in those situations where the board determines
19 it is in the best interest of the state either in equity or in the promotion of
20 conservation to do so, such as but not limited to the following illustrations:

21 (i) Creating caverns in salt domes for the storage of hydrocarbons or carbon
22 dioxide.

23 (ii) Establishing a hydrocarbon or carbon dioxide storage facility in an
24 underground reservoir.

(iii) Taking over an abandoned surface or underground storage facility in order to maximize the useful life of the existing facility.

(iv) Establishing a contractual agreement for the operation of a carbon dioxide storage facility for the storage and distribution of carbon dioxide for secondary or tertiary recovery operations.

(v) Establishing a contractual agreement on unleased acreage or where title is disputed to promote utilization of the state's resources for storage.

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Section 2. This Act shall take effect and become operative if and when the Act which originated as House Bill No. 1117 of this 2008 Regular Session of the Legislature is enacted and becomes effective.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____